

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

) EB Docket No. 07-147
)
PENDLETON C. WAUGH, CHARLES M.) File No. EB-06-IH-2112
AUSTIN, and JAY R. BISHOP) NAL/Acct. No. 200732080025
)
PREFERRED COMMUNICATION) FRN No. 0003769049
SYSTEM, INC.)
)
Licensee of Various Site-by-Site Licenses)
in the Specialized Mobile Radio Service)
)
PREFERRED ACQUISITION, INC.) FRN No. 0003786183
)
Licensee of Various Economic Area Licenses)
in the 800 MHz Specialized Mobile Radio)
Services)

To: The Honorable Arthur I. Steinberg, Administrative Law Judge

RESPONSE OF PENDLETON C. WAUGH TO
REQUEST FOR ADMISSION OF FACTS AND GENUINENESS OF DOCUMENTS

Pendleton C. Waugh ("Waugh"), pursuant to Section 1.246 of the Commission's Rules, 47 CFR § 1.246, hereby responds to the "Enforcement Bureau's Request for Admissions of Facts and Genuineness of Documents to Pendleton C. Waugh" ("Request") filed in the above-captioned proceeding on September 5, 2007. By responding, Waugh does not concede the relevance of any matter which is the subject of the Request and reserves the right to object to the admission of any particular item into evidence.

1. Admit, except during the years 1998, 1999, 2000, and 2001, I worked for Preferred Communications Systems, Inc. ("PCSI") for only a portion of the year.

2. Deny

3. Deny

4. Deny

5. Admit

6. Admit

7. I pled guilty to conspiracy to violate 31 U.S.S. Section 5324(3).

8. As a result of the guilty plea in Case No. 3:94-CR-160-T, I admit I was sentenced to 21 months in federal prison, followed by three years of supervised release, and a payment of \$20,000 in fines.

9. Admit, but the plea agreement was entered in July 1994.

10. Admit

11. I was ordered to pay the SEC a fine amounting to almost \$13 million.

12. I was ordered not to violate the federal securities laws.

13. Admit

14. In 1999, I was adjudged to have violated the terms of my supervised release from federal prison (Case No. 3:94-CR-160-T).

15. Admit

16. As a result of findings that I violated the federal supervised release and state probation provisions, I was sentenced to six additional months in federal prison (Case No. 3:94-CR-160-T) and four years in state prison (Case No. F-9703517).

17. Deny

18. Deny

19. Admit

20. I have no personal knowledge of the purpose(s) for which Preferred Acquisitions, Inc., was formed.

21. Admit

22. I have no personal knowledge of the purpose(s) for which Preferred Acquisitions, Inc., was formed.

23. Admit

24. I have no personal knowledge of the preparation of this stock certificate.

25. Admit

26. I did sign the amended and restated voting trust agreement referred to in item number 25, (not item 24) above.

Attachment A

27. I have no personal knowledge with respect to Preferred's response to FCC Enforcement Bureaus's June 30, 2006 letter of inquiry.

28. I have no personal knowledge with respect to Preferred's response to FCC Enforcement Bureaus's June 30, 2006 letter of inquiry.

29. I have no personal knowledge with respect to Preferred's response to FCC Enforcement Bureaus's June 30, 2006 letter of inquiry.

30. Admit

Attachment B

31. I have no personal knowledge with respect to Preferred's response to the FCC Enforcement Bureaus's December 27, 2006 letter of inquiry.

32. I have no personal knowledge with respect to Preferred's response to the FCC Enforcement

Bureaus's December 27, 2006 letter of inquiry.

33. I have no personal knowledge with respect to Preferred's response to the FCC Enforcement Bureaus's December 27, 2006 letter of inquiry.

34. I have no personal knowledge with respect to Preferred's response to the FCC Enforcement Bureaus's December 27, 2006 letter of inquiry.

35. I have no personal knowledge with respect to Preferred's response to the FCC Enforcement Bureaus's December 27, 2006 letter of inquiry.

Attachment C

36. I have no personal knowledge with respect to this item.

37. I have no personal knowledge with respect to this item.

Attachment D

38. I have no personal knowledge with respect to Preferred Acquisitions, Inc.'s Form 175.

39. Admit

40. I have no personal knowledge of this.

41. Admit

42. Admit

43. Admit

44. Admit

45. Admit

46. Admit

47. Admit

Attachment E

48. I have no personal knowledge with respect to Preferred Acquisitions, Inc.'s Form 602.

49. I have no personal knowledge with respect to Preferred Acquisitions, Inc.'s Form 602.

50. I have no personal knowledge with respect to Preferred Acquisitions, Inc.'s Form 602.

51. I have no personal knowledge with respect to Preferred Acquisitions, Inc.'s Form 602.

52. Admit

53. Admit

54. Admit

Attachment F

55. I have no personal knowledge with respect to Preferred Acquisitions, Inc.'s Form 601.

56. I have no personal knowledge with respect to Preferred Acquisitions, Inc.'s Form 601.

57. I have no personal knowledge with respect to Preferred Acquisitions, Inc.'s Form 601.

58. I have no personal knowledge with respect to Preferred Acquisitions, Inc.'s Form 601.

59. Admit

60. Admit

61. I have no personal knowledge with respect to Preferred Acquisitions, Inc.'s knowledge or Mr. Austin's certification.

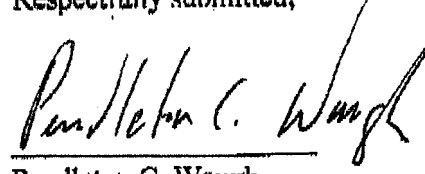
62. I have no personal knowledge with respect to Preferred Acquisitions, Inc.'s knowledge or Mr. Austin's certification.

63. Admit

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The undersigned hereby declares under penalty of perjury that the foregoing responses are true and correct to the best of his knowledge, information and belief.

Respectfully submitted,


Pendleton C. Waugh

October 12, 2007

CERTIFICATE OF SERVICE

I, William D. Silva, certify that I have caused a copy of the foregoing "Response of Pendleton C. Waugh to Request for Admission of Facts and Genuineness of Documents" to be sent by electronic mail or first class mail, this 12th day of October , 2007, to the following:

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